

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2012-____-C

IN RE:)	
)	
Establishing Just and Reasonable Rates)	PETITION OF THE OFFICE OF
For Local Exchange Carriers)	REGULATORY STAFF FOR
)	A PROCEEDING TO TIMELY
)	REVIEW FCC MANDATED
)	REDUCTIONS TO
)	INTRASTATE ACCESS
)	TARIFFS

The South Carolina Office of Regulatory Staff (“ORS”) files this Petition seeking an order from the Public Service Commission of South Carolina (the “Commission”) to require local exchange carriers to submit proposed switched access tariff revisions along with the supporting documentation described in Exhibit A (also referred to in this Petition as the “Supporting Documentation”) to the Commission and ORS no later than June 1, 2012.

On November 18, 2011, the Federal Communications Commission (“FCC”) released its order on “Universal Service and Intercarrier Compensation Reform.” *In the Matter of Establishing just and Reasonable Rates for Local Exchange Carriers, et al*, WC Docket No. 07-135 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011), hereinafter referred to as the “ICC Reform Order”. In its Report and Order, the FCC adopted a transitional intercarrier compensation restructuring framework for both intrastate and interstate telecommunications traffic exchanged with a local exchange carrier, which will

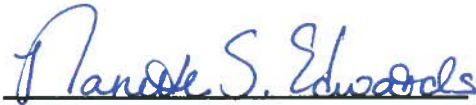
ultimately result in a bill and keep arrangement between carriers. During the first phase of the intercarrier compensation restructuring, the FCC directed that for price cap carriers, rate-of-return carriers, and certain competitive local exchange carriers (“CLECs”) (i.e., those that benchmark rates to price cap or rate-of-return carriers) with intrastate terminating switched end office and transport rates, originating and dedicated transport rates, and reciprocal compensation rates that are above the carrier's interstate access rates, the respective intrastate rates must be reduced by fifty percent (50%) of the differential between the carrier's intrastate and interstate access rates by July 1, 2012, using the methodology set forth in 47 C.F.R. §§51.907, 51.909 and 51.911.

In order to allow for the timely review and implementation of the requisite reductions, the ORS requests that the Commission order all affected local exchange carriers (incumbent local exchange carriers “ILECs” and competitive local exchange carriers “CLECs”) to file the appropriate tariff revisions on or before June 1, 2012. A June 1, 2012 deadline provides ORS, the Commission, and others the opportunity to review the proposed tariff filings prior to the July 1, 2012 deadline established by the FCC. The filings should satisfy the criteria set forth in 47 C.F.R. §§51.907, 51.909 and 51.911 for price cap and rate-of-return ILECs and CLECs, respectively. The tariff filings must include supporting calculations for the proposed transitional intrastate access rates. Exhibit A to this Petition provides a description of the Supporting Documentation that may be used to comply with 47 C.F.R. §§51.907(b) and 51.909(b).

ORS proposes that the current intrastate access rates would remain in effect through June 30, 2012. Unless suspended by the Commission, the new intercarrier compensation rates shall be automatically effective beginning on July 1, 2012, subject to

a true-up to the extent that the Commission subsequently determines that the submitted rates require modification. Tariff filings suspended by the Commission would be subject to a true-up as of July 1, 2012, once approved.

WHEREFORE, ORS respectfully requests that the Commission establish a proceeding and a deadline of **June 1, 2012** for the requisite tariff filings, including Supporting Documentation.



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EXHIBIT A

The tariff filings should include the following Supporting Documentation in an electronic format along with certification by the person(s) who prepared the responses to 1-6 that the information provided in the tariff filing and supporting documents is true and accurate.

- (1) Interstate rates in effect on December 29, 2011.
- (2) Intrastate rates in effect on December 29, 2011.
- (3) For Fiscal Year 2011, intrastate demand for each rate element included in “Transitional Intrastate Access Service” as that term is defined in 47 C.F.R. §51.903(j).
- (4) Where the LEC’s intrastate and interstate rate structures differ, explain how 2011 intrastate demand is correlated to its interstate rate structure.
- (5) Provide the methodology used to reach the required access revenue reduction of 50% of the difference between intrastate and interstate rates.
- (6) Indicate whether you intend to use your existing intrastate rate structure to establish new intrastate rates or whether you intend to apply your interstate rates and rate structure to establish new intrastate rates and the additive to local switching minutes.
- (7) Provide the contact information for the person(s) who prepared the responses.